Foreign Exchange Reserve in the Country

3751. SHRI RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state :

(a) the details of total foreign exchange reserve in the country as on 1st January, 1994 and the same as on 1st January, 1993, 1st January, 1992, 1st January, 1991 and 1st January, 1990 ;

(b) the details of Principal sources contributing to foreign exchange reserve ; and

(c) whether it is a borrowed reserve to be paid back with interest ; if so, the details ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V CHANDRASHEKHAR MURTHY) : (a) Total foreign exchange reserves (including monetary gold and SDRs) of the country as on 1-1-1994 and corresponding levels for corresponding dates in the previous four years are set out in the following table :

	(US $ million)
1-1-1994	13851
1-1-1993	8885
1-1-1992	3675
1-1-1991	2053
1-1-1990	3699

(b) and (c) Principal sources contributing to increase in foreign exchange reserves have been sharp improvement in foreign exchange earnings through export of goods and services, high level of inflows from foreign investments including portfolio investments, external assistance net of repayments, foreign commercial borrowings net of repayments, and net flows in non-resident deposits. While some of these sources, such as external assistance, commercial borrowings and some schemes of NRI deposits represent borrowings, during fiscal 1993-94, tentative estimates of different inflows indicate an unusually high contribution on non-debt creating sources like foreign investments including portfolio investments towards the increase in foreign exchange reserves.

Fiscal deficit in India

3752. SHRI RAMCHANDRAN PILLAI : Will the Minister of FINANCE be pleased to state :

(a) the principal constituents of fiscal deficit in India with percentage and amount as in 1990-91, 1991-92, 1992-93;

(b) whether fiscal deficit always has an adverse effect on the rate of development and the health of developing economy, giving details of fiscal deficit with rate of development for the last three years; and

(c) whether there is a sudden upward trend this year; if so, the factors contributing to that?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M V. CHANDRASEKHAR MURTHY) : (a) Fiscal deficit indicates the total borrowing requirements of Government of India from all sources and it constitutes the difference between the revenue receipts plus certain non-debt capital receipts and the total expenditure including loans, set of repayments. The details are as under :

Year	Fiscal deficit (Rs. crores)	% to GDP
1990-91 . .	44632	8·4
1991-92 . .	36325	5·9
1992-93 . .	40173	5·7

(b) An increase in fiscal deficit beyond safe limits may increase inflationary pressure on the economy. High fiscal deficit may also contribute to large current account deficit in the balance of payment aggravating external indebtedness.

(c) The Revised Estimates for 1993-94 envisage a fiscal deficit of 7.4% of GDP. The factors contributing to the increase have been explained in the speech of the Minister of Finance while presenting the Budget for 1994-95. Budget for 1994-95 estimates a lower deficit of about 6%.

Developmental and Non-developmental Expenditure on the Central Government Staff

3753. SHRI BHUPINDER SINGH MANN : Will the Minister of FINANCE be pleased to state that the proportion of

developmental and non-developmental expenditure on salaries, allowances and perquisites to staff of the Central Government of India like housing, transport etc. to the total expenditure during the year 1992-93.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASEKHAR MURTHY): During the year 1992-93, the proportion of expenditure on pay and allowances to the total expenditure both, developmental and non-developmental was 10.40 per cent. Expenditure on salaries of Central Government staff employed on developmental and non-developmental activities is not separately maintained.

Salary of officers of Punjab & Sind Bank

3754. SHRI E. BALANANDAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the date of fixation of salary of Bank Officers/Managers was 1st February, 1984, according to I.B.A./Government of India orders, which were implemented in the year 1986;

(b) whether Punjab and Sind Bank has given equal benefit as per circular No. 1554 which is in line with IBA/Government of India orders referred in part (a) above;

(c) whether it is a fact that a circular No. 1572 was issued by Punjab and Sind Bank in which the date of fixation of salary of Officers/Managers is 31st January, 1984; and

(d) if so, whether the due benefits were extended to officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) Yes, Sir.

(c) The Punjab & Sind Bank in Annexure 'A' to its Circular No. 1536 advised that every officer who is governed by the scale of pay as in force as on 31-1-84, shall be fitted in the scale of pay set-out in Regulation 4 of PSB (O) SR-1982 as on 1-2-84 on a stage to stage basis.

However, while issuing Staff Circular No. 1554 the date of corresponding stage in the old basic pay was erroneously mentioned as 1-2-84 instead of 31-1-84. This was corrected vide Staff Circular No. 1572 and the basic pay of officers in force as on 31-1-84 was fitted in the revised scales of pay as on 1-2-84. No where it was stated that the date of fitment of salary of Officers/Managers is 31-1-84.

(d) The benefits of revised pay scales were extended to officers in line with IBA/Government guidelines.

Dealing Centres and Dealers of SBI

3755. SHRI A. NALLASIVAN : Will the Minister of FINANCE be pleased to state :

(a) whether the State Bank of India is considering to close down the Dealing Centres at Bombay, Madras and New Delhi overseas branches and to abolish the posts of dealers by replacing them with "Rate Centres" and "Rate Officers";

(b) if so, the details thereof and if not, the reasons therefor;

(c) why the posts of Dealers are being used at SBI Bombay, New Delhi and Madras overseas branches to quote Rates to the customers when Rates Officers can do the same work; and

(d) whether SBI is planning to decentralise dealing and cover operations from Calcutta as they have opened Dealing Centres at Bombay, Madras and New Delhi Overseas Branches?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) State Bank of India (SBI) have reported that there is no proposal at present to closed down the dealing centres at Bombay, Madras and New Delhi overseas branches and to abolish the posts of dealers.

(b) and (c) The posting of dealers at overseas branches at New Delhi, Bombay and Madras has been made keeping in view the best interests of the bank and also to provide an effective and quick feed back to the management.

(d) There is no move at present on the part of SBI to decentralise the forex dealing and cover operations, which continue